

AMENDED IN ASSEMBLY AUGUST 18, 2014

AMENDED IN ASSEMBLY AUGUST 4, 2014

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AMENDED IN ASSEMBLY JUNE 18, 2014

AMENDED IN SENATE MAY 16, 2013

AMENDED IN SENATE MAY 7, 2013

AMENDED IN SENATE APRIL 24, 2013

AMENDED IN SENATE APRIL 1, 2013

SENATE BILL

No. 52

Introduced by Senators Leno and Hill

(Principal coauthors: Senators Correa and DeSaulnier)

(Principal coauthor: Assembly Member Fong)

(Coauthors: Senators *Beall*, *Block*, *Evans*, *Hancock*, *Lieu*, and *Wolk*)

(Coauthors: Assembly Members *Alejo*, *Ammiano*, *Bonta*, *Buchanan*,
and *Gatto*, *Gonzalez*, *Medina*, *Ting*, *Wieckowski*, and *Williams*)

December 20, 2012

An act to amend Sections 84503, 84504, 84505, 84506, and 84511 of, to add Sections 84503.1, 84503.2, 84503.3, 84503.4, and 84503.5 to, and to repeal and add Sections 84501 and 84502 of, the Government Code, relating to the Political Reform Act of 1974.

LEGISLATIVE COUNSEL'S DIGEST

SB 52, as amended, Leno. Political Reform Act of 1974: campaign disclosures.

Existing law, the Political Reform Act of 1974, provides for the comprehensive regulation of campaign financing, including requiring the reporting of campaign contributions and expenditures and imposing other reporting and recordkeeping requirements on campaign committees. Existing law additionally imposes disclosure statement requirements with respect to advertisements supporting or opposing a candidate or ballot measure paid for by donors making contributions of specified amounts or by independent expenditures and defines several terms and phrases for these purposes. Existing law makes a knowing or willful violation of the Political Reform Act of 1974 a misdemeanor and subjects offenders to criminal penalties.

This bill would repeal and recast several definitions. The bill would modify a committee identification requirement and a disclosure statement requirement relating to advertisements for or against any ballot measure paid for by a committee. The bill would impose new disclosure statement requirements for political advertisements regarding a ballot measure that are radio advertisements, prerecorded telephonic messages, television or video advertisements, or mass mailing or print advertisements that would require the identification of identifiable contributors, ballot measures, and other funding details, as specified. By introducing new disclosure requirements, the violation of which would be a misdemeanor, the bill would create a new crime, thereby imposing a state-mandated local program.

Existing law creates the Fair Political Practices Commission, and gives it primary responsibility for the impartial, effective administration and implementation of the Political Reform Act of 1974.

The bill would require the Fair Political Practices Commission to promulgate regulations related to ~~the identifying and reporting and tracking of persons who are the original sources of funds transferred by an identifiable contributor to committees and persons through committees or other persons to determine identifiable contributors~~ by January 1, 2016. The bill would require the Commission to promulgate regulations prohibiting a recipient of funds transferred by an identifiable contributor from depositing the funds until required applicable reports have been received by the recipient.

This bill would incorporate additional changes in Section 84511 of the Government Code proposed by A.B. 510, that would become operative only if A.B. 510 and this bill are both chaptered and become effective on or before January 1, 2015, and this bill is chaptered last.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act's purposes upon a $\frac{2}{3}$ vote of each house and compliance with specified procedural requirements.

This bill would declare that it furthers the purposes of the act.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.

State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. This act shall be known as the California Disclose
2 Act.

3 SEC. 2. The Legislature finds and declares all of the following:

4 (a) Ever-increasing amounts of funds are raised and spent in
5 support of and opposition to state and local ballot measures,
6 especially in the form of advertisements. The outcomes of such
7 elections are disproportionately impacted by campaign expenditures
8 in support of and opposition to those measures.

9 (b) Ever-increasing amounts of funds are spent on campaigns
10 by persons who do one or more of the following:

11 (1) Frequently use their wealth to fund local and state ballot
12 measures designed to advance their own economic interests.

13 (2) Increasingly avoid having their identities disclosed in
14 election-related advertisements by channeling funds through one
15 or more persons before those funds are received by a committee,
16 thereby undermining the purpose and intent of laws requiring
17 disclosure on such advertisements.

18 (3) Spend extraordinary amounts of money running
19 election-related advertisements while hiding behind dubious and
20 misleading names, including, but not limited to, advertisements
21 by primarily formed committees and general purpose committees.

22 (4) Increasingly evade disclosure by funding advertisements
23 designed to persuade voters without expressly advocating support
24 or opposition.

1 (c) The activities described in subdivision (b) cause the public
2 to become increasingly disaffected with the democratic process,
3 discouraging participation in elections and coloring public
4 perceptions of the legitimacy and integrity of state and local
5 government.

6 (d) The people of California and their government officials have
7 a compelling interest in knowing the true and original source of
8 committee funding and receiving clear information identifying the
9 largest original contributors responsible for political advertisements
10 funded by such committees.

11 (e) The disclosure of original contributors on advertisements
12 serves the following important governmental and societal purposes:

13 (1) Providing the people and government officials current and
14 easily accessible information regarding who is funding
15 advertisements that are intended to influence their votes on ballot
16 measures.

17 (2) Enabling the people and government officials to identify
18 potential bias in advertisements to assist them in making more
19 informed decisions and giving proper weight to different speakers
20 and messages.

21 (3) Deterring actual corruption and avoiding the appearance of
22 corruption by providing increased transparency of contributions
23 and expenditures.

24 (4) Improving the people's confidence in the democratic process
25 and increasing their motivation to actively participate in that
26 process by regular voting and other forms of civic engagement.

27 (5) Promoting compliance with and detecting violations of the
28 Political Reform Act of 1974 (Title 9 (commencing with Section
29 81000) of the Government Code), while also addressing the
30 problems and advancing the state interests described in that act.

31 SEC. 3. Section 84501 of the Government Code is repealed.

32 SEC. 4. Section 84501 is added to the Government Code, to
33 read:

34 84501. For purposes of this article, the following terms have
35 the following meanings:

36 (a) (1) "Advertisement" means any general or public
37 communication that is either of the following:

38 (A) Authorized and paid for by a committee for the purpose of
39 supporting or opposing a candidate for elective office or one or
40 more ballot measures.

1 (B) A ballot measure advocacy communication that satisfies all
2 of the following:

3 (i) It is disseminated, broadcast, or otherwise communicated
4 within 45 days before an election.

5 (ii) It concerns a clearly referenced ballot measure that will
6 appear on the ballot at the election.

7 (iii) A reasonable person would interpret the overall message
8 of the communication as expressing support of or opposition to
9 the ballot measure.

10 (2) “Advertisement” does not include any of the following:

11 (A) A communication from an organization, other than a
12 political party, to its members.

13 (B) A campaign button smaller than 10 inches in diameter; a
14 bumper sticker smaller than 60 square inches; or a small tangible
15 promotional item, including, but not limited to, a pen, pin, or key
16 chain, upon which the disclosures required by this article cannot
17 be conveniently printed or displayed.

18 (C) Clothing apparel.

19 (D) Sky writing.

20 (E) An electronic media communication, if inclusion of the
21 disclosures required by this article is impracticable or would
22 severely interfere with the committee’s ability to convey the
23 intended message because of the nature of the technology used to
24 make the communication.

25 (F) Any other communication as determined by regulations of
26 the Commission.

27 (b) “Cumulative contributions” means the cumulative amount
28 of contributions received by a committee beginning 12 months
29 prior to the date the committee made its first expenditure for the
30 purpose of supporting or opposing a candidate for elective office
31 or for the purpose of qualification, passage, or defeat of a ballot
32 measure, and ending seven days before the time the advertisement
33 is disseminated or broadcast.

34 (c) “Identifiable contributor” means a person that is the original
35 source of funds for contributions received by a committee that
36 cumulatively total fifty thousand dollars (\$50,000) or more,
37 notwithstanding the fact that the contributions were transferred,
38 in whole or in part, through one or more other committees or
39 persons.

40 SEC. 5. Section 84502 of the Government Code is repealed.

SEC. 6. Section 84502 is added to the Government Code, to read:

84502. (a) On or before January 1, 2016, the Commission shall promulgate regulations, in furtherance of the purposes of this article, related to ~~the identifying and reporting and tracking of funds transferred by an identifiable contributor to committees and other persons~~ *persons who are the original sources of funds transferred through committees or other persons, for the purpose of determining the identifiable contributors required to be disclosed on advertisements regarding ballot measures pursuant to Sections 84503.1, 84503.2, and 84503.3.*

(b) The Commission shall promulgate regulations prohibiting a recipient of funds transferred by an identifiable contributor from depositing the funds until any applicable reports required by the regulations promulgated pursuant to subdivision (a) have been received by the recipient.

(c) In any action for a violation of this article brought by the Commission against a recipient of funds transferred by an identifiable contributor, it is a complete defense that information provided by the identifiable contributor was incorrect and the recipient did not know or did not have reason to know it was incorrect.

SEC. 7. Section 84503 of the Government Code is amended to read:

84503. (a) Except for advertisements described in Sections 84503.1, 84503.2, and 84503.3, any advertisement for or against any ballot measure shall include a disclosure statement identifying any person whose cumulative contributions are fifty thousand dollars (\$50,000) or more.

(b) If there are more than two donors of fifty thousand dollars (\$50,000) or more, the committee is only required to disclose the highest and second highest in that order. In the event that more than two donors meet this disclosure threshold at identical contribution levels, the highest and second highest shall be selected according to chronological sequence.

SEC. 8. Section 84503.1 is added to the Government Code, to read:

84503.1. (a) An advertisement regarding a ballot measure, disseminated by a political party or candidate-controlled committee, that is a radio advertisement or prerecorded telephonic message

1 shall include a disclosure statement at the beginning or end of the
2 advertisement read in a clearly spoken manner and in a pitch and
3 tone substantially similar to the rest of the advertisement that reads
4 as follows: “Paid for by [name of the committee that paid for the
5 advertisement].”

6 (b) (1) An advertisement regarding a ballot measure,
7 disseminated by a committee other than a political party or
8 candidate-controlled committee, that is a radio advertisement or
9 prerecorded telephonic message shall include a disclosure statement
10 at the beginning or end of the advertisement read in a clearly
11 spoken manner and in a pitch and tone substantially similar to the
12 rest of the advertisement that reads as follows: “This ad has major
13 funding from [state names in descending order of identifiable
14 contributors who have made the two largest cumulative
15 contributions to the committee that paid for the advertisement].
16 Paid for by [name of the committee that paid for the
17 advertisement].”

18 (2) If there is only one identifiable contributor or the
19 advertisement lasts 15 seconds or less, the disclosure statement
20 required by paragraph (1) shall be adjusted to read as follows:
21 “This ad has major funding from [state name of identifiable
22 contributor who made the largest cumulative contributions to the
23 committee that paid for the advertisement]. Paid for by [name of
24 the committee that paid for the advertisement].”

25 (3) If there are no identifiable contributors to the committee that
26 paid for the advertisement, the advertisement may replace the
27 disclosure statement required by paragraph (1) with the following:
28 “Paid for by [name of the committee that paid for the
29 advertisement].”

30 (4) If the content of the advertisement names each of the
31 identifiable contributors required to be named pursuant to
32 paragraphs (1) and (2) as top funders of the advertisement, it may
33 replace the disclosure statement required by paragraph (1) with
34 the following: “Paid for by [name of the committee that paid for
35 the advertisement].”

36 SEC. 9. Section 84503.2 is added to the Government Code, to
37 read:

38 84503.2. (a) An advertisement regarding a ballot measure,
39 disseminated by a political party or candidate-controlled committee,
40 that is a television or video advertisement shall include a disclosure

1 area with a solid black background on the entire bottom one-third
2 of the television or video display screen at the beginning or end
3 of the advertisement for a minimum of five seconds in the case of
4 an advertisement that lasts 30 seconds or less or a minimum of 10
5 seconds in the case of an advertisement that lasts longer than 30
6 seconds. The disclosure area shall include the following text: “Paid
7 for by [name of the committee that paid for the advertisement].”
8 The text shall be in a contrasting color in Arial Narrow equivalent
9 font, and the type size shall be at least 4 percent of the height of
10 the television or video display screen and shall be centered
11 horizontally.

12 (b) An advertisement regarding a ballot measure, disseminated
13 by a committee other than a political party or candidate-controlled
14 committee, that is a television or video advertisement shall include
15 a disclosure area with a solid black background on the entire
16 bottom one-third of the television or video display screen at the
17 beginning or end of the advertisement for a minimum of five
18 seconds in the case of an advertisement that lasts 30 seconds or
19 less or a minimum of 10 seconds in the case of an advertisement
20 that lasts longer than 30 seconds. The disclosure area shall include
21 all of the following:

22 (1) The text “Ad Paid for by a Committee whose Top Funders
23 are:”. The text shall be located at the top of the disclosure area and
24 centered horizontally, shall be in a contrasting color in Arial
25 Narrow equivalent font, and the type size shall be equivalent to 3
26 percent of the height of the television or video display screen.

27 (2) Immediately below the text described in paragraph (1), the
28 names of the identifiable contributors who have made the three
29 largest cumulative contributions to the committee that paid for the
30 advertisement. The identifiable contributors shall each be disclosed
31 on a separate horizontal line, in descending order, beginning with
32 the identifiable contributor who made the largest cumulative
33 contributions on the first line. The name of each of the identifiable
34 contributors shall be centered horizontally in the disclosure area.
35 The text shall be in a contrasting color in Arial Narrow equivalent
36 font, and the type size shall be at least 4 percent of the height of
37 the television or video display screen. If using a type size of 4
38 percent of the height of the television or video display screen
39 causes the name of any of the identifiable contributors to exceed
40 the width of the screen, the type sizes of the names of all the

1 identifiable contributors shall be reduced until the names of the
2 identifiable contributors fit on the width of the screen, but in no
3 case shall the type size be smaller than 2.5 percent of the height
4 of the screen.

5 (3) The text “Paid for by [name of the committee that paid for
6 the advertisement].” The text shall be in a contrasting color in
7 Arial Narrow equivalent font, and the type size shall be equivalent
8 to 2 percent of the height of the television or video display screen.
9 The text shall be left-aligned and located in a position that is
10 vertically at least 2 percent of the height of the television or video
11 display screen away from the bottom left of the television or video
12 display screen.

13 (4) If there are fewer than three identifiable contributors to the
14 committee that paid for the advertisement, the disclosure statement
15 required by this subdivision shall be adjusted accordingly to
16 disclose only those that qualify as identifiable contributors, if any.
17 If the committee does not have any identifiable contributors, the
18 text required by paragraph (1) shall be adjusted to read “Ad Paid
19 for by” and the name of the committee shall be printed immediately
20 below it, centered horizontally. The text shall be in a contrasting
21 color in Arial Narrow equivalent font, and the type size shall be
22 at least 4 percent of the height of the television or video display
23 screen.

24 (5) In addition to the requirements specified in paragraphs (1)
25 to (4), inclusive, committees subject to Section 84223 shall include
26 the text “Funding Details At [insert Commission Internet Web site
27 address with information required to be posted pursuant to Section
28 84223].” The text shall be in a contrasting color in Arial Narrow
29 equivalent font, and the type size shall be equivalent to 2.5 percent
30 of the height of the television or video display screen. The text
31 shall be right-aligned and located in a position that is at least 2.5
32 percent of the height of the television or video display screen away
33 from the bottom right of the television or video display screen.

34 SEC. 10. Section 84503.3 is added to the Government Code,
35 to read:

36 84503.3. (a) An advertisement regarding a ballot measure,
37 disseminated by a political party or candidate-controlled committee,
38 that is a mass mailing or a print advertisement designed to be
39 distributed personally shall include a disclosure area on the outside
40 display surface of the mass mailing or print advertisement that

1 reads as follows: “Paid for by [name of the committee that paid
2 for the advertisement].” The text shall be in an Arial Narrow
3 equivalent font with a type size of at least 10-point in a color or
4 print that contrasts with the background so that it is easily read.

5 (b) An advertisement regarding a ballot measure, disseminated
6 by a committee other than a political party or candidate-controlled
7 committee, that is a mass mailing or a print advertisement designed
8 to be distributed personally shall include a disclosure area on the
9 largest page of the mass mailing or print advertisement that satisfies
10 all of the following requirements:

11 (1) The disclosure area shall have a solid white background so
12 as to be easily legible, and shall be in a printed or drawn box on
13 the bottom of the page that is set apart from any other printed
14 matter. All text in the disclosure area shall be black in color. The
15 text in the disclosure area shall be written in the same direction as
16 the text or graphics on the majority of the page that has the
17 disclosure.

18 (2) The text “Ad Paid for by a Committee whose Top Funders
19 are:” shall be located at the top of the disclosure area and centered
20 horizontally in the disclosure area. The text shall be in an Arial
21 Narrow equivalent font with a type size of at least 12-point for
22 advertisements smaller than 93 square inches and at least 14-point
23 for advertisements that are equal to, or larger than, 93 square
24 inches.

25 (3) Immediately below the text described in paragraph (2) shall
26 be the names of the identifiable contributors who have made the
27 three largest cumulative contributions to the committee that paid
28 for the advertisement. The identifiable contributors shall each be
29 disclosed on a separate horizontal line, in descending order,
30 beginning with the identifiable contributor who made the largest
31 cumulative contributions on the first line. The name of each of the
32 identifiable contributors shall be centered horizontally in the
33 disclosure area. The text shall identify each identifiable contributor
34 in an Arial Narrow equivalent font with a type size of at least
35 10-point for advertisements smaller than 93 square inches and at
36 least 12-point for advertisements that are equal to, or larger than,
37 93 square inches.

38 (A) If the advertisement is four inches tall or less, it need only
39 show the names of the identifiable contributors who have made
40 the two largest cumulative contributions.

1 (B) If the advertisement is three inches tall or less, it need only
2 show the name of the identifiable contributor who made the largest
3 cumulative contributions, and the text required by paragraph (2)
4 shall read “Ad Paid for by a Committee whose Top Funder is.”

5 (4) The text “Paid for by [name of the committee that paid for
6 the advertisement]” shall be located at the bottom of the disclosure
7 area and shall be in an Arial Narrow equivalent font with at least
8 8-point type size for pages smaller than 93 square inches and at
9 least 10-point type size for pages that are equal to, or larger than,
10 93 square inches.

11 (5) If there are fewer than three identifiable contributors to the
12 committee that paid for the advertisement, the disclosure shall be
13 adjusted accordingly to disclose the qualifying identifiable
14 contributors, if any. If the committee does not have any identifiable
15 contributors, the disclosures described in paragraphs (2) and (3)
16 are not required.

17 (6) In addition to the requirements specified in paragraphs (1)
18 to (5), inclusive, committees subject to Section 84223 shall include,
19 immediately below the text described in paragraph (3), the text
20 “Funding Details At [insert Commission Internet Web site address
21 with information required to be posted pursuant to Section 84223].”
22 The text shall be in an Arial Narrow equivalent font with at least
23 10-point type size for advertisements smaller than 93 square inches
24 and at least 12-point type size for advertisements that are equal to,
25 or larger than, 93 square inches. This text shall not be required if
26 the advertisement is five inches tall or less.

27 SEC. 11. Section 84503.4 is added to the Government Code,
28 to read:

29 84503.4. (a) The disclosure of the name of an identifiable
30 contributor required by this article need not include such legal
31 terms as “incorporated,” “committee,” “political action committee,”
32 or “corporation,” or their abbreviations, unless the term is part of
33 the contributor’s name in common usage or parlance.

34 (b) If this article requires the disclosure of the name of an
35 identifiable contributor that is a sponsored committee that has a
36 single sponsor, only the name of the committee’s sponsoring
37 organization shall be disclosed.

38 (c) If the identifiable contributor is the parent of a subsidiary
39 corporation whose economic interest is more directly impacted
40 than the parent by a measure that is the subject of the

1 advertisement, then the subsidiary's name shall be disclosed.
2 Disclosure of the parent's name is optional, but shall not replace
3 the required disclosure of other identifiable contributors otherwise
4 required by this article.

5 (d) All disclosure text required by this article shall be displayed
6 in the capitalization shown in this article, such as "Ad Paid for by
7 a Committee whose Top Funders are:". Names of identifiable
8 contributors and committees shall be displayed in title capitalization
9 (e.g. "John Smith"), except for names that are acronyms (e.g.
10 "ACME Hunting Supplies").

11 SEC. 12. Section 84503.5 is added to the Government Code,
12 to read:

13 84503.5. If the order of the identifiable contributors required
14 to be displayed in an advertisement pursuant to this article changes,
15 the disclosure in the advertisement shall be updated as follows:

16 (a) A television, radio, or other electronic media advertisement
17 shall be updated to reflect the new ordering of identifiable
18 contributors within seven business days, or five business days if
19 the change in the order of identifiable contributors occurs within
20 30 days of an election.

21 (b) A print media advertisement, including nonelectronic
22 billboards, shall be updated to reflect the new ordering of
23 identifiable contributors prior to placing a new or modified order
24 for additional printing of the advertisement.

25 SEC. 13. Section 84504 of the Government Code is amended
26 to read:

27 84504. (a) Any committee that supports or opposes a ballot
28 measure shall print or broadcast its name as provided in this article
29 as part of any advertisement or other paid public statement.

30 (b) If candidates or their controlled committees, as a group or
31 individually, meet the contribution thresholds for a person, they
32 shall be identified by the controlling candidate's name.

33 SEC. 14. Section 84505 of the Government Code is amended
34 to read:

35 84505. In addition to the requirements of Sections 84503,
36 84503.1, 84503.2, and 84503.3, the committee paying for an
37 advertisement or persons acting in concert with that committee
38 shall be prohibited from creating or using a noncandidate-controlled
39 committee or a nonsponsored committee to avoid, or that results
40 in the avoidance of, the disclosure of any individual, industry,

1 business entity, controlled committee, or sponsored committee as
2 a major funding source.

3 SEC. 15. Section 84506 of the Government Code is amended
4 to read:

5 84506. (a) An advertisement supporting or opposing a
6 candidate or a ballot measure and that is paid for by an independent
7 expenditure shall include, except as provided in Sections 84503.1,
8 84503.2, and 84503.3, a disclosure statement that identifies both
9 of the following:

10 (1) The name of the committee making the independent
11 expenditure.

12 (2) The names of the persons from whom the committee making
13 the independent expenditure has received its two highest
14 cumulative contributions of fifty thousand dollars (\$50,000) or
15 more during the 12-month period prior to the expenditure. If the
16 committee can show, on the basis that contributions are spent in
17 the order they are received, that contributions received from the
18 two highest contributors have been used for expenditures unrelated
19 to the candidate or ballot measure featured in the communication,
20 the committee shall disclose the contributors making the next
21 largest cumulative contributions of fifty thousand dollars (\$50,000)
22 or more.

23 (b) If an acronym is used to identify any committee names
24 required by this section, the names of any sponsoring organization
25 of the committee shall be printed on print advertisements or spoken
26 in broadcast advertisements.

27 SEC. 16. Section 84511 of the Government Code is amended
28 to read:

29 84511. (a) A committee that makes an expenditure of five
30 thousand dollars (\$5,000) or more to an individual for his or her
31 appearance in an advertisement to support or oppose the
32 qualification, passage or defeat of a ballot measure shall file a
33 report within 10 days of the expenditure. The report shall identify
34 the measure, the date of the expenditure, the name of the recipient,
35 and the amount expended.

36 (b) The advertisement shall include the statement
37 “(spokesperson’s name) is being paid by this campaign or its
38 donors” in highly visible roman font shown continuously if the
39 advertisement consists of printed material, or spoken in a clearly
40 audible format if the advertisement is a radio broadcast or telephone

1 message. If the advertisement is a television or video
2 advertisement, the statement shall be shown continuously, except
3 when the disclosure statement required by Section 84503.2 is being
4 shown.

5 *SEC. 16.5. Section 84511 of the Government Code is amended*
6 *to read:*

7 ~~84511. (a) A committee that makes an expenditure of five~~
8 ~~thousand dollars (\$5,000) or more to an individual for his or her~~
9 ~~appearance in an advertisement to support or oppose the~~
10 ~~qualification, passage or defeat of a ballot measure shall file a~~
11 ~~report within 10 days of the expenditure. The report shall identify~~
12 ~~the measure, the date of the expenditure, the name of the recipient,~~
13 ~~and the amount expended.~~

14 ~~(b) The advertisement shall include the statement~~
15 ~~“(spokesperson’s name) is being paid by this campaign or its~~
16 ~~donors” in highly visible roman font shown continuously if the~~
17 ~~advertisement consists of printed or televised material, or spoken~~
18 ~~in a clearly audible format if the advertisement is a radio broadcast~~
19 ~~or telephone message.~~

20 *84511. (a) This section applies to a committee that does either*
21 *of the following:*

22 *(1) Makes an expenditure of five thousand dollars (\$5,000) or*
23 *more to an individual for his or her appearance in an*
24 *advertisement that supports or opposes the qualification, passage,*
25 *or defeat of a ballot measure.*

26 *(2) Makes an expenditure of any amount to an individual for*
27 *his or her appearance in an advertisement that supports or opposes*
28 *the qualification, passage, or defeat of a ballot measure and that*
29 *states or suggests that the individual is a member of an occupation*
30 *that requires licensure, certification, or other specialized,*
31 *documented training as a prerequisite to engage in that occupation.*

32 *(b) A committee described in subdivision (a) shall file, within*
33 *10 days of the expenditure, a report that includes all of the*
34 *following:*

35 *(1) An identification of the measure that is the subject of the*
36 *advertisement.*

37 *(2) The date of the expenditure.*

38 *(3) The amount of the expenditure.*

39 *(4) The name of the recipient of the expenditure.*

1 (5) *For a committee described in paragraph (2) of subdivision*
2 *(a), the occupation of the recipient of the expenditure.*

3 (c) *An advertisement paid for by a committee described in*
4 *paragraph (1) of subdivision (a) shall include a disclosure*
5 *statement stating “(spokesperson’s name) is being paid by this*
6 *campaign or its donors” in highly visible roman font shown*
7 *continuously if the advertisement consists of printed material, or*
8 *spoken in a clearly audible format if the advertisement is a radio*
9 *broadcast or telephonic message. If the advertisement is a*
10 *television or video advertisement, the statement shall be shown*
11 *continuously, except when the disclosure statement required by*
12 *Section 84503.2 is being shown.*

13 (d) (1) *An advertisement paid for by a committee described in*
14 *paragraph (2) of subdivision (a) shall include a disclosure*
15 *statement stating “Persons portraying members of an occupation*
16 *in this advertisement are compensated spokespersons not*
17 *necessarily employed in those occupations” in highly visible roman*
18 *font shown continuously if the advertisement consists of printed*
19 *or televised material, or spoken in a clearly audible format if the*
20 *advertisement is a radio broadcast or telephonic message.*

21 (2) *A committee may omit the disclosure statement required by*
22 *this subdivision if all of the following are satisfied with respect to*
23 *each individual identified in the report filed pursuant to subdivision*
24 *(b) for that advertisement:*

25 (A) *The occupation identified in the report is substantially*
26 *similar to the occupation portrayed in the advertisement.*

27 (B) *The committee maintains credible documentation of the*
28 *appropriate license, certification, or other training as evidence*
29 *that the individual may engage in the occupation identified in the*
30 *report and portrayed in the advertisement and makes that*
31 *documentation immediately available to the Commission upon*
32 *request.*

33 SEC. 17. *Section 16.5 of this bill incorporates amendments to*
34 *Section 84511 of the Government Code proposed by both this bill*
35 *and Assembly Bill 510. It shall only become operative if (1) both*
36 *bills are enacted and become effective on or before January 1,*
37 *2015, (2) each bill amends Section 84511 of the Government Code,*
38 *and (3) this bill is enacted after Assembly Bill 510, in which case*
39 *Section 16 of this bill shall not become operative.*

1 ~~SEC. 17.~~

2 *SEC. 18.* No reimbursement is required by this act pursuant to
3 Section 6 of Article XIII B of the California Constitution because
4 the only costs that may be incurred by a local agency or school
5 district will be incurred because this act creates a new crime or
6 infraction, eliminates a crime or infraction, or changes the penalty
7 for a crime or infraction, within the meaning of Section 17556 of
8 the Government Code, or changes the definition of a crime within
9 the meaning of Section 6 of Article XIII B of the California
10 Constitution.

11 ~~SEC. 18.~~

12 *SEC. 19.* The Legislature finds and declares that this bill
13 furthers the purposes of the Political Reform Act of 1974 within
14 the meaning of subdivision (a) of Section 81012 of the Government
15 Code.